

DEBTOR EASY STREET MEZZANINE

MONTHLY OPERATING REPORT

CHAPTER 11

CASE NO. 09-29908

Form 2-A
CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period December 1 to December 31, 2009

Accounting Method

☒

Accrual Basis

☐ Cash Basis

THIS REPORT IS DUE 15 DAYS AFTER THE END OF THE MONTH

Mark On Box Each
Required Document

Debtor must attach each of the following reports/documents unless the U.S. Trustee has waived the requirement in writing. File the original with the Clerk of Court. Submit a duplicate, with original signature, to the U.S. Trustee.

Report /Document Waived	Previously Waived	REQUIRED REPORTS / DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursement Schedule (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts

I declare under the penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate, and correct to the best of my knowledge and belief.

Executed on 15-Jan-10 Print Name William H. Shoaf

Signature

Title

Manager

DEBTOR EASY STREET MEZZANINE CASE NO. 09-29908

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period December 1 to December 31, 2009

er 1 to December 31, 2009
CASH FLOW SUMMARY

	CURRENT MONTH	ACCUMULATED
1. Beginning Cash Balance	\$ - 1	\$ - 1
2. Cash Receipts		
Operations	\$ -	\$ -
Sales of Assets	\$ -	\$ -
Loans / Advances	\$ -	\$ -
Other	\$ -	\$ -
Total Cash Receipts	<u>\$ -</u>	<u>\$ -</u>
3. Cash Disbursements		
Operations	\$ -	\$ -
Debt Service/Secured Loan Payment	\$ -	\$ -
Professional Fees/US Trustee Fees	\$ -	\$ -
Other	\$ -	\$ -
Total Cash Disbursements	<u>\$ -</u>	<u>\$ -</u>
4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)	<u>\$ -</u>	<u>\$ -</u>
5. End Cash Balance (to Form 2-C)	<u>\$ - 2</u>	<u>\$ - 2</u>

CASH BALANCE SUMMARY

	Financial Institution	Book Balance
Petty Cash		
DIP Operating Account		\$ -
DIP State Tax Account		\$ -
DIP Payroll Account		\$ -
Other Operating Account		\$ -
Other Interest Bearing Account		\$ -
TOTAL		<u>\$ - 3</u>

(must agree with Ending Cash Balance above)

DEBTOF EASY STREET MEZZANINE

CASE NO.

09-29908

Form 2-B

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period December 1 to December 31, 2009

CASH RECEIPTS DETAIL

(ATTACH ADDITIONAL SHEETS AS NECESSARY)

Account No.

Date	Payer
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Description

Amount

Total Cash Receipts 1

(1) Total for all accounts should agree with the total cash receipts listed on Form 2-B, page 1

DEBTOR EASY STREET MEZZANINE

CASE NO.

09-29908

Form 2-B

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period December 1 to December 31, 2009

CASH DISBURSEMENTS DETAIL

Account No.

Date	Payer	Description	Amount
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Total Cash Disbursements

 1

(1) Total for all accounts should agree with the total cash disbursements listed on Form 2-B, page 1

DEBTOR**CASE NO.**

09-29908

EASY STREET MEZZANINE

Form 2-C
COMPARATIVE BALANCE SHEET
For Period Ending December 31 2009

For Period December 1 to December 31, 2009	CURRENT MONTH	ACCUMULATED
ASSETS		
Current Assets		
Cash (from Form 2-B, Line 5)	\$ -	\$ -
Accounts Receivable (from Form 2-E)	\$ -	\$ -
Receivable from Officers, Employees, Affiliates	\$ -	\$ -
Inventory	\$ -	\$ -
Other Current Assets		
Total Current Assets	<u>\$ -</u>	<u>\$ -</u>
Fixed Assets		
Land	\$ -	\$ -
Building	\$ -	\$ -
Equipment, Furniture & Fixtures	\$ -	\$ -
Total Fixed Assets	\$ -	\$ -
Less: Accumulated Depreciation		
Net Fixed Assets	<u>\$ -</u>	<u>\$ -</u>
Other Fixed Assets	\$ 16,988,057.00	\$ 16,988,057.00
TOTAL ASSETS	<u><u>\$ 16,988,057.00</u></u>	<u><u>\$ 16,988,057.00</u></u>
LIABILITIES		
Post Petition Accounts Payables (Form 2-E)	\$ -	\$ -
Post Petition Accrued Professional Fees (Form 2-E)	\$ -	\$ -
Post Petition Taxes Payable (Form 2-E)	\$ -	\$ -
Post Petition Notes Payable	\$ -	\$ -
Other Post Petition Payables	\$ -	\$ -
Total Post Petition Liabilities	<u>\$ -</u>	<u>\$ -</u>
Pre Petition Liabilities		
Secured Debt	\$ 12,379,795.00	\$ 12,379,795.00
Priority Debt	\$ -	\$ -
Unsecured Debt	\$ 58,872.00	\$ 58,872.00
Total Pre Petition Debt	<u>\$ 12,438,667.00</u>	<u>\$ 12,438,667.00</u>
TOTAL LIABILITIES	<u><u>\$ 12,438,667.00</u></u>	<u><u>\$ 12,438,667.00</u></u>
OWNER EQUITY		
Owner/Stockholder Equity	\$ 4,549,390.00	\$ 4,549,390.00
Retained Earnings - Prepetition	\$ -	\$ -
Retained Earnings - Post Petition	\$ -	\$ -
TOTAL OWNERS EQUITY	<u>\$ 4,549,390.00</u>	<u>\$ 4,549,390.00</u>
TOTAL LIABILITIES & OWNER EQUITY	<u><u>\$ 16,988,057.00</u></u>	<u><u>\$ 16,988,057.00</u></u>

D EASY STREET MEZZANINE

CASE NO.

09-29908

Form 2-D
PROFIT AND LOSS STATEMENT
For Period December 1 to December 31, 2009

	CURRENT MONTH	ACCUMULATED
For Period December 1 to December 31, 2009		
Gross Operating Revenues	\$ -	\$ -
Less: Discounts, Returns, Allowances	\$ -	\$ -
Net Operating Revenue	\$ -	\$ -
Cost of Goods Sold	\$ -	\$ -
Gross Profits	\$ -	\$ -
Operating Expenses		
Officer Compensation	\$ -	\$ -
Selling, General & Administrative	\$ -	\$ -
Rents & Leases	\$ -	\$ -
Depreciation, Depletion, & Amortization	\$ -	\$ -
Others	\$ -	\$ -
Total Operating Expenses	\$ -	\$ -
Operating Income (Loss)	\$ -	\$ -
Non Operating Income and Expenses		
Other Non Operating Expenses	\$ -	\$ -
Gains (Losses) on Sale of Assets	\$ -	\$ -
Interest Income	\$ -	\$ -
Interest Expense	\$ -	\$ -
Owner Rental Commissions	\$ -	\$ -
Net Non Operating Income or (Expenses)	\$ -	\$ -
Reorganization Expenses		
Legal & Professional Expenses	\$ -	\$ -
Other Reorganizational Expenses	\$ -	\$ -
Total Reorganizational Expenses	\$ -	\$ -
Net Income (loss) Before Income Taxes	\$ -	\$ -
Federal & State Income Tax Expense (Benefit)	\$ -	\$ -
NET INCOME (LOSS)	\$ -	\$ -

DEBTOR**CASE NO.** 09-29908

EASY STREET MEZZANINE

Form 2-E**SUPPORTING SCHEDULES****December 1- December 31-2009****POST PETITION TAXES PAYABLE SCHEDULE**

For Period December 1 to December 31, 2009

	Beginning Balance	Amount Accrued	Amount Paid	Date Paid	Check Number	Ending Balance
Income Tax Withheld Federal State						
FICA Tax Withheld						
Employers Fica Tax						
Unemployment Tax Federal State						
Sales,Use & Excise Tax						
Property Tax						
Accured Income Tax Federal State Other						
TOTALS	\$ -	\$ -	\$ -			\$ -

(1) For first report, Beginning Balance will be \$0: Beginning Balance will be Ending Balance from prior report

INSURANCE SCHEDULE

	Carrier	Amount of Coverage	Expiration Date	Premium Paid Through
Workers Compensation				
General Liability				
Property (Fire Theft)				
Vehicle				
Others				
		\$ -		

DEBTOR

Easy Street Partners, LLC CASE NO. 09-29908

Form 2-E
SUPPORTING SCHEDULES
December 1 to December 31, 2009

ACCOUNTS RECEIVABLE & POST PETITION PAYABLE SCHEDULE

DUE	ACCOUNTS RECEIVABLE	POST PETITION ACCOUNTS PAYABLE
Under 30 Days		
31 to 60 Days		
61 to 90 Days		
91 to 120 Days		
Over 120 Days		
TOTAL POST PETITION	\$ -	
PRE PETITION AMOUNT		
Total Accounts Receivable		
Less: Bad Debt Reserve		
Net Accounts Receivable (to Form 2-C)	\$ -	

Total Post Petition
Accounts Payable \$ -

***Attach a detail listing accounts receivable and post petition accounts payable**

SCHEDULE OF PAYMENTS TO ATTORNEYS & OTHER PROFESSIONALS

Month End Retainer Balance	Current Month's Accrual	Paid in Current Month	Date of Court Approval	Month End Balance Due*
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Debtor's Counsel
Counsel for Unsecured
Creditors Committee
Trustee Counsel
Accountant
Other

Total	\$ -	\$ -	\$ -	\$ -
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* Balance due to include fees and expenses incurred but not yet paid.

Schedule of Payments & Transfers to Principals / Executives**

Payee Name	Position	Nature of Payment	Amount
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** List payments and transfers of any kind and in any form made to or for the benefit of any proprietor owner, partner, officer, or director.

DEBTOR

CASE NO. 09-29908

**Form 2-F
QUARTERLY FEE SUMMARY*
FOR THE MONTH ENDED December 2009**

Month	Year	Cash Disbursement**	Quarterly Fee Due	Check Number	Date Paid
For Period December 1 to Dec					
January					
February					
March					
Total 1st Qtr		\$ -			
April					
May					
June					
Total 2nd Qtr		\$ -			
July					
August					
September					
Total 3rd Qtr		\$ -	\$ 325.00		
October					
November					
December					
Total 4th Qtr		\$ -	\$ 325.00		

FEE SCHEDULE (AS OF JANUARY 1, 2008)

Quarterly Disbursements			Fee
\$ -	to	\$ 14,999	\$ 325.00
\$ 15,000	to	\$ 74,999	\$ 650.00
\$ 75,000	to	\$ 149,999	\$ 975.00
\$ 15,000	to	\$ 224,999	\$ 1,625.00
\$ 225,000	to	\$ 299,999	\$ 1,950.00
\$ 300,000	to	\$ 999,999	\$ 4,875.00
\$ 1,000,000	to	\$ 1,999,999	\$ 6,500.00
\$ 2,000,000	to	\$ 2,999,999	\$ 9,750.00
\$ 3,000,000	to	\$ 4,999,999	\$ 10,400.00
\$ 5,000,000	to	\$ 14,999,999	\$ 13,000.00
\$ 15,000,000	to	\$ 29,999,999	\$ 20,000.00
\$ 30,000,000	to	more	\$ 30,000.00

* This summary is to reflect the current year's information cumulative to the end of the preporing period

**Should agree with line 3 Form 2-B. Disbursements are net of transfers tooterh debtor in possession bank accounts

Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case.[11USC Sec 112(b)(10)

In addition, unpadi fees are considered a debt owned the United States and will be assessed interest unde 31 USC 3717

DEBTOR EASY STREET MEZZANINE CASE NO. 09-29907

**Form 2-G
NARRATIVE
For Period Ending December 31, 2009**

Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors
For Period December 1 to December 31, 2009

Inn the financial statements, and any significant changes in the financial conditions of the debtor which have
occurred subsequent to the report date.

The Borrower conducted, in conjunction with the Secured Creditor, interviews of potential candidates to fill the co manager role
as required by the Cash Collateral Stipulation. BDRC4Site was selected to be the co manager of the project. In addition, Gemstone
Resorts was hired to provide consultation assistance to BDRC on issues specifically related to hotel operations.

BDRC and Gemstone began the process of acquainting themselves with the project and property so that they could engage quickly,
once they were approved by the court, to review the business plan and budgets provided by the Borrower for 2010 and beyond.

The development of the term sheet and work out plan is being done inconjunction with the Co-manager. Due to the time needed to
reach agreement with all parties on the consultant selections the delivery time line for these items has slipped.

In November the property posted an operational loss of \$68,649 which was \$57,370 better than budget and \$163,509 better
than November 2008.

The expenditures related to the Borrowers reorganizational expenses continues to track significantly behind budget as fees for legal
and professionals has not been approved for payment by the court. This is expected to occur in December.

DEBTOR

POST CONFIRMATION QUARTERLY REPORT

CH 11 CASE NO.

FOR QUARTER ENDED

SUMMARY OF DISBURSEMENTS MADE DURING QUARTER

1. Cash Balance, Beginning of Quarter

For Period December 1 to December 31, 2009

3. Cash Disbursements during Quarter including Plan Payments

4. Cash Balance End of Quarter(or as of report date for final report)

SUMMARY OF AMOUNTS DISBURSED UNDER PLAN

\$ -

	Paid During Quarter	Total Paid To Date	Total Pyts Projected Under the Plan
1. ADMINISTRATIVE EXPENSES			
Plan Trustee Compensation	\$ -	\$ -	\$ -
Plan Trustee Expenses	\$ -	\$ -	\$ -
Attorney Fees Trustee	\$ -	\$ -	\$ -
Attorney Fees Debtor	\$ -	\$ -	\$ -
Other Professionals	\$ -	\$ -	\$ -
Other Administrative Expenses	\$ -	\$ -	\$ -
TOTAL ADMINISTRATIVE EXPENSES	\$ -	\$ -	\$ -

2. SECURED CREDITORS

3. PRIORITY CREDITORS

4. UNSECURED CREDITORS

5. EQUITY SECURITY HOLDERS

TOTAL PLAN PAYMENTS

\$ - \$ - \$ -

QUARTERLY FEE PAID

\$ - \$ - \$ -

PLAN STATUS

	YES	NO
1. Have all payments been made as set forth in the confirmed plan?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are all post confirmation obligations current?	<input type="checkbox"/>	<input type="checkbox"/>
3. Projected date of application for final decree	<input type="text"/>	

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING POST CONFIRMATION QUARTERLY REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Reorganized Debtor

By:

Title

Email & Phone

Easy Street Mezzanine 12/31/09	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
CBIZ Accounting	0.00	0.00	0.00	0.00	12,048.67	12,048.67
David Wickline	0.00	1,535.97	0.00	0.00	0.00	1,535.97
Frank Rimerman & Co. LLP	0.00	0.00	0.00	1,393.55	0.00	1,393.55
Goodrich & Thomas, CPAs	0.00	0.00	0.00	0.00	16,100.00	16,100.00
Klehr,Harrison,Harvey,Branzburg & Ellers	0.00	0.00	0.00	0.00	18,534.17	18,534.17
Les Olson Company	0.00	0.00	0.00	687.50	0.00	687.50
McGladrey & Pullen	0.00	0.00	0.00	0.00	5,000.00	5,000.00
Merrit & Harris	0.00	0.00	0.00	0.00	1,066.67	1,066.67
Park City Surveying	0.00	0.00	0.00	0.00	638.33	638.33
Pitney Bowes	0.00	0.00	0.00	0.00	53.86	53.86
Shaner Design, Inc.	0.00	0.00	0.00	0.00	1,487.50	1,487.50
Staples Credit Plan	0.00	0.00	0.00	0.00	326.13	326.13
TOTAL	0.00	1,535.97	0.00	2,081.05	55,255.33	58,872.35